SEC Number: AS 094-004462
File Number: _________

FIL-ESTATE LAND, INC.
(Company's Full Name)

7/F Renaissance Towers, Meralco Avenue
Pasig City
(Company's Address)

(632) 633-3947
(Telephone Number)

September 30, 2009
(Fiscal Year Ending)

SEC Form 17 - A Annual Report
(Form Type)

(Amendment Designation)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17 - A

**ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF CORPORATION CODE OF THE PHILIPPINES**

1. For the fiscal year ended **September 30, 2009**
2. SEC Identification Number **AS 094-004462**
3. BIR Tax Identification No. **430-000-426-523**
4. Exact name of registrant as specified in its charter

Fil-Estate Land, Inc.

5. Province, Country or other jurisdiction of incorporation or organization

Pasig City, Philippines

6. Industry Classification Code: [ ] (SEC Use only)

7. Address of principal office Postal Code

7/F Renaissance Towers, Meralco Ave., Pasig City **1600**

8. Registrant's telephone number

Tel No. (632) 633-39-47

9. Former name, former address, former fiscal year

Not Applicable

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sections 4 & 8 of the RSA:

Title of Each Class	Number of shares outstanding and amount of debt outstanding
Common shares	**3,350,000,000**
Outstanding debts (loans)	**₱ 1.66Billion**

11. Are any or all of these securities listed on the Philippine Stock Exchange

Yes **[X]** No [ ]

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the Revised Securities Act (RSA) and RSA Rule 11(a)-1 thereunder and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports):

Yes **[X]** No [ ]

(b) has been subject to such filing requirements for the past 90 days.

Yes **[X]** No [ ]

13. Aggregate market value of the voting stock held by non-affiliates:

₱ 1.1 billion (as of September 30, 2009)

DOCUMENTS INCORPORATED BY REFERENCE

14. Briefly describe documents incorporated by reference and identify the part of the SEC Form 17-A into which the document is incorporated:

2009 Audited Consolidated Financial Statements
(incorporated as reference for Item 7 of SEC Form 17-A)

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PART I – BUSINESS AND GENERAL INFORMATION

ITEM 1. BUSINESS

Background

Fil-Estate Land, Inc. ("FELI" or the "Company") was incorporated on May 18, 1994 to consolidate the real estate interests and development activities of the Fil-Estate Group of Companies. FELI is also tasked to engage in land acquisitions and to maintain an inventory of raw land for future development by its subsidiaries. FELI went public in November 1995 when its common shares were listed in the Philippine Stock Exchange (PSE).

Development of the business of the registrant and its significant subsidiaries during the past three years

FELI has three wholly owned subsidiaries: Fil-Estate Properties, Inc. ("FEPI"), to engage primarily in residential subdivision and condominium development, Fil-Estate Golf and Development, Inc. ("FEGDI"), to engage primarily in golf and leisure development and Fil-Estate Urban Development Corporation ("FEUDC") for the development of certain residential projects. The developments of these various projects are still ongoing to date.

FELI also owns 20% of the equity of each of the five (5) marketing companies, namely Fil-Estate Realty Corporation, Fil-Estate Marketing Associates, Inc., Fil-Estate Network, Inc., Fil-Estate Sales, Inc. and Fil-Estate Realty Sales Associates, Inc. All of the Company's properties are marketed through these marketing companies.

FELI is one of the leading property development and marketing companies in the Philippines and has operated through predecessor companies since 1981. The Company engages primarily in the horizontal development of residential subdivision lots, integrated residential, golf and other leisure-related properties, and vertical development of mixed-use towers in Metro Manila.

The Company reduces its capital exposure substantially by acquiring its landbank through joint ventures with landowners. These agreements generally provide that the Company will undertake the development and marketing of the project.

Bankruptcy, Receivership or Similar Proceedings

None for any of the companies above.

Material Reclassification, Merger, Consolidation or Purchase or Sale of a Significant Amount of Assets (not ordinary)

None for any of the companies above.

Products

The Company has a diversified portfolio of projects, including (i) horizontal residential subdivision lots and residential / commercial complexes, (ii) residential communities integrated with golf, marina, resort and other leisure related and commercial complexes, (iii) properties associated with resorts, (iv) residential, office and commercial high rise, (v) business and industrial park, and (vi) low cost housing.

Following are the product lines of the Company comprising the 2009 gross sales:

Sales from:

Residential subdivisions and commercial lots	26%
Golf and resort shares	28%
Condominium and townhouse units	46%
	100%

Distribution Methods of Products

The Company's products are distributed to a wide range of clients through its affiliated marketing companies which act as the exclusive marketing arms of the Company and its subsidiaries.

Suppliers

The Company has a broad base of local suppliers.

Customers

FELI has a broad market base including local and foreign individual and institutional clients.

The Company caters to all segments of the real estate market for its developments. Most of the Company's products such as residential lots and affordable housing units are focused on the B and C markets as these segments of the market offer the highest demand and thus will provide the biggest source of revenues for the Company. However, the Company also targets the A and B markets with special niche products such as integrated residential and leisure developments and condominium units.

Competition

The real estate business in the Philippines remains highly competitive. The most prominent of these competitors are Ayala Land, Inc., Robinsons Land, Filinvest, Megaworld, Empire East and Sta. Lucia Realty. The Company believes that its reputation as an experienced developer and effective marketer of innovative real estate products gives it a competitive advantage both in the acquisition of land and the sale of developments. In particular, its sales force, the largest real estate sales force in the Philippines remains a potent force in the industry.

Related Party Transactions

Transactions between related parties are based on terms similar to those offered to non-related parties. Parties are considered related if one party has the ability , directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions and the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Transactions with major stockholder, other subsidiaries and affiliates in the normal course of business follow:

a. Sale of golf club shares and real estate properties to a major stockholder.
b. Payment of commissions to affiliated marketing companies which act as the exclusive marketing arms of the subsidiaries.
c. Granting of interest and non-interest bearing advances to certain affiliates.

Please refer also to Part III Item 12 of this report ("Certain Relationships and Related Transactions")

Government Approvals / Regulations

The Company secures various government approvals such as the ECC, development permits, license to sell, etc. as part of the normal course of its business.

Development Permit and License to Sell

Presidential Decree No. 957, as amended, requires landowners / developers to submit a registration statement and subdivision / condominium plan to the Housing and Land Use Regulatory Board ("HLURB"). Upon submission of the plan, the HLURB issues a development permit authorizing the development of the land, and upon filing of a performance bond as may be determined by the HLURB, the latter issues a License to Sell and a Certificate of Registration to the owner / developer.

Agrarian Reform Law

The Comprehensive Agrarian Reform Law covers: (a) alienable and disposable lands of the public domain devoted to or suitable for agriculture, (b) land owned by the Government devoted to or suitable for agriculture. No person may own or retain, directly or indirectly, any public or private agricultural land, in excess of five (5) hectares. A limit of three (3) hectares may be awarded to each child of the landowners, subject to certain qualifications. The law allows the conversion of agricultural lands to non-agricultural use when the land ceases to be economically feasible and sound for agricultural purposes. Furthermore, the Department of Agrarian Reform Administrative Order No. 01 s. 1990 provides that any such classification or re-classification made after June 15, 1988 shall be subject to Department of Agrarian Reform ("DAR") approval.

Environmental Compliance Certificate
As a general rule, developers of residential subdivisions have to submit project descriptions to regional offices of the Department of Environment and Natural Resources ("DENR"). Such descriptions set out the background of the proposed project and identify any significant environmental risk and possible measures to mitigate such environmental risks. In exceptional cases of environmentally critical projects (e.g., golf courses, beach resorts, developments adjacent to watershed areas, etc.), a detailed Environmental Impact Assessment may be required and the developer will be required to obtain Environmental Compliance Certificate ("ECC") from the DENR. Compliance with the terms and conditions of the ECC will be monitored by the appropriate DENR regional office and failure to comply may lead to penalties and sanctions being imposed, including fines and / or temporary cessation of project operation.

As a real estate developer, the Company is required to secure development permits and licenses to sell from the HLURB and land conversions from agricultural to non-agricultural use when applicable, from DAR and environmental compliance certificates from the DENR for environmentally critical projects.

In addition to compliance with said government regulations, the Company shares in the country's vision of attaining economic prosperity and stability through sustainable development. Recognizing its important role as a property developer in a growing nation, FELI pursues its mission of service - *sustainable property development* - by building communities dedicated to quality living, work and recreation, while protecting and enhancing the environment.

Employees

As of September 30, 2009, FELI has a total of 189 employees (inclusive of three (3) wholly owned subsidiaries' workforce), divided into Rank and File - 145, Middle Management - 19 and Top Management - 25. The Company expects to further reduce its number of employees in the next 12 months. There has been no employees union since the start of Company's operations. In addition to basic salary and 13th month pay, other supplemental benefits provided by FELI to its employees include: retirement benefits, vacation and sick leaves, rice subsidy, dental benefits and various loan facilities among others.

ITEM 2. PROPERTIES

The Company's land bank as of September 30, 2009 consisted of land holdings under joint venture and those wholly owned by the Company, 1,087 hectares of which is owned directly by the Company and valued at a cost of ₱ 1.8 billion. These land bank held for future development are strategically located in various parts of the country mainly the CALABARZON areas.

The total land area under joint venture is subject to various joint venture arrangements with their respective landowner partners. The average joint venture sharing for residential subdivision and golf course communities ranges from 55%-75% in favor of FELI while that for residential and office condominium projects ranges from 50%-70%.

On the other hand, the inventory portfolio of the Company consisted mainly of inventory strategically located in various parts of the country mainly the CALABARZON areas. Real estate and golf club and resort shares for sale and land held for future development are valued at the lower of cost or net realizable value in conformity with PAS 2 "Inventories". Cost includes the acquisition cost of the land plus all costs directly attributable to the acquisition for projects where the Company is the landowner, and includes actual development cost incurred up to balance sheet date for projects where the Company is the developer. Net realizable value is the selling price in the ordinary course of business less cost to complete and to market. A valuation allowance is provided for real estate and golf club and resort shares for sale and land held for future development when the net realizable values of the properties are less than the carrying costs.

ITEM 3. LEGAL PROCEEDINGS

The Company and its subsidiaries are parties to certain lawsuits or claims arising from the ordinary course of business. The management and legal counsel believe that the eventual liabilities under these lawsuits or claims, if any, will not have a material effect on the consolidated financial statements, and thus, no provision has been made for these contingent liabilities.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On November 23, 2009, FELI held its Annual Stockholders' Meeting. All the members of the Board of Directors were re-elected during the said meeting except for Mr. Ruben Payumo who was replaced by Mr. Peter Churchouse as Independent Director.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5. MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDERS' MATTERS

Stock Prices

FELI common shares are listed in the PSE. Share prices have been retroactively adjusted to reflect the effects of stock dividends paid by the Company up to 2009.

	Philippine Stock Exchange Average Closing Price per Share (₱)	
	High	**Low**
2009		
First Quarter	0.25	0.24
Second Quarter	0.24	0.18
Third Quarter	0.33	0.24
Fourth Quarter	0.37	0.29
2008		
First Quarter	1.07	1.03
Second Quarter	0.82	0.79
Third Quarter	0.55	0.53
Fourth Quarter	0.42	0.41
2007		
First Quarter	0.72	0.70
Second Quarter	0.86	0.82
Third Quarter	0.93	0.89
Fourth Quarter	1.18	1.12

The market capitalization of FELI as of September 30, 2009, based on the closing price at ₱ 0.33 per share of FELI's shares at that date was approximately ₱ 1.1 billion.

Dividends

The retained earnings account as of September 30, 2009 is restricted from being declared as dividends to the extent of the undistributed net earnings of subsidiaries associates and joint ventures amounting to ₱ 4.5 billion in 2009 and ₱ 4.6 billion in 2008. No declaration of cash dividends was made in the last three (3) years.

Recent Sales of Unregistered or Exempt Securities (including recent issuance of securities constituting an exempt transaction)

For the fiscal year 2009, commencing October 1, 2008 up to September 30, 2009, there are no transactions relating to sales of unregistered or exempt securities.

Description of Securities

Stockholders

FELI has a total of about 4,890 common shareholders as of September 30, 2009.

TOP 20 STOCKHOLDERS AS OF SEPTEMBER 30, 2009

No.	Stockholder	No. of Shares	% of Ownership
1	Fil-Estate Management, Inc.	1,898,378,007	56.668%
2	PCD Nominee Corporation (Filipino)	938,445,467	28.013%
3	PCD Nominee Corporation (Foreign)	221,609,875	6.615%
4	Jaime Borromeo	89,827,000	2.681%
5	Angping & Associates Securities, Inc.	13,775,750	0.411%
6	Roberto N. Del Rosario	13,449,150	0.401%
7	Dynaland Properties & Developers, Inc.	11,700,002	0.349%
8	CAP Pension Trust Fund	9,263,280	0.277%
9	Greenfield Development Corporation	8,640,000	0.258%
10	John T. Lao	7,035,100	0.210%
11	Lucio W. Yan	5,755,000	0.172%
12	Maximo S. Uy /or Lim Hue Hua	5,478,400	0.164%
13	Richard L. Lao	4,617,990	0.138%
14	Ruben Payumo	4,446,000	0.133%
15	Southern Heights Land Dev't. Corporation	4,219,815	0.126%
16	Cedar Commodities Inc.	4,000,000	0.119%
17	Romeo G. Roxas	3,716,000	0.111%
18	Phil. Veterans Bank Fao Comprehensive Annuity Plans TA#0245	3,674,856	0.110%
19	Avesco Marketing	3,512,106	0.105%
20	Francisco Gonzalez	3,490,000	0.104%

PART III - FINANCIAL INFORMATION

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS AND PLAN OF OPERATION

PLAN OF OPERATIONS

In response to the slowdown of the economy as a result of the global financial crisis, the company intends to focus on certain key markets that have continued to experience growth despite the difficult times.

The company has identified as its primary market the socialized, low cost and affordable segments of the housing market. Demand in these segments remains strong and unmet. These markets enjoy support of Pag-ibig Financing Facilities of up to 30 years. Developmental loans are also available as well as incentives from Board of Investments (BOI) for developers of projects for these segments. Sales of residential lots up to P1.5 Million and house and lot units or condominium units up to P2.5 Million are also exempt from Value Added Tax (VAT).

The tourism industry is another segment that has exhibited growth. Tourist arrivals in the top local sixteen destinations went up by 16.5% reaching close to 4 million in the first semester of 2009. Among the top 4 destinations are Boracay and Baguio. The company has launched a condotel project in Boracay and will soon be launching another one in Camp John Hay.

The third segment that continues to exhibit growth is the Business Process Outsourcing (BPO) sector. As demand for office space for BPOs continues, the company intends to build a BPO campus in Southwoods Ecocentrum.

In order to secure funds for development, the company plans to dispose highly marketable properties, secure developmental loans, enter into joint venture arrangements and raise equity.

In order to further strengthen the efforts of the in-house marketing organization, the company shall continue to work with the banks and government financial institutions to provide end-buyer financing for the projects and shall utilize Contract to Sell (CTS) facilities to convert receivables from in-house sales into cash.

In the meantime, the company shall continue to reduce costs. Manpower has been further reduced from 224 in 2008 to 189 in 2009, resulting in further reducing operating expenses

<u>Key Performance Indicators</u>

LEVERAGE OR LONG-RANGE SOLVENCY RATIOS

	September 30, 2009	**September 30, 2008**	**Change Increase (Decrease)**
Debt to Total Assets	37.40%	37.11%	0.29%
Equity to Total Assets	62.60%	62.89%	(0.29%)
Debt to Equity	59.76%	59.01%	0.75%

Debt to Total Assets
It shows the creditors' contribution to the total resources of the organization. The increase was due to the availment of loan by a subsidiary.

Equity to Total Assets
It shows the extent of owners' contribution to the total resources of the organization. There is a slight decrease compared to last year due mainly to loss incurred during the year.

Debt to Equity
It relates the exposure of the creditors to that of the owners. To date, the creditors' exposure is slightly higher than that of the owners. The increase was brought about by additional loans availed during the year.

ACTIVITY RATIOS

	September 30, 2009	**September 30, 2008**	**Change Increase (Decrease)**
Assets Turnover	2.5%	1.43%	1.07%
Equity Turnover	3.99%	2.27%	1.73%

Assets Turnover
It measures the level of capital investment relative to sales volume. The slight increase was due to increase in sales realized during the year.

Equity Turnover
It tests the productivity of the owners' investments. The slight increase was due to increase in sales realized during the year.

PROFITABILITY RATIOS

	September 30, 2009	**September 30, 2008**	**Change Increase (Decrease)**
Earnings per Share	₱ (0.040)	₱ 0.028	₱ (0.068)
Book Value per Share	₱ 2.825	₱ 2.874	₱ (0.049)

Earnings per Share (EPS)
It indicates the earnings for each of the common shares held. The EPS for the year decreased by ₱ 0.068 because of the net loss incurred during the year.

Book Value per Share
It shows the value of each common share based on the recorded net assets. The book value per share slightly decreased due to net loss during the year.

Others

As of fiscal year ended September 30, 2009, there are no material events and uncertainties known to management that would have an impact on the future operations such as:

a. Known trends, demands, commitments, events or uncertainties that would have an impact on the Company;
b. Material commitments for capital expenditures, the general purpose of such commitment and the expected sources of funds for such expenditures;
c. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on the net sales/revenues/income from continuing operations;
d. Significant elements of income or loss that did not arise from the Company's continuing operations;
e. Causes for any material changes from period to period in one or more line item of the Company's financial operations;
f. Seasonal aspects that had a material effect on the financial condition or results of the operations;

Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;

The Company, in line with its objective of raising funds via capital build up and other fund rasing exercises entered into an Omnibus Agreement and Bonds Issuance Facility Agreement with a certain Lender;

Omnibus Agreement with LIM Asia Arbitrage:

On March 5, 2007, the Fil-Estate Urban Development Corporation (borrower), a subsidiary together with FELI (guarantor) entered into an Omnibus Agreement ("agreement") with LIM Asia Arbitrage Fund, Inc. (LIM Asia, lender) for a US$10.5 million loan facility (to be registered with Bangko Sentral ng Pilipinas) and a US$2 million loan facility. The facility is being extended for five (5) years from the signing date.

Under the agreement, the following are the conditions of the security for the drawdown under the facility:

1. The chattel mortgage the guarantor shall execute pursuant to the agreement, to constitute a chattel mortgage over 100% of the total issued and outstanding shares of the capital stock of the borrower to be registered with the Chattel Mortgage Registry and delivered to the trustee (HSBC).

2. A signed and irrevocable proxy from the guarantor as the owner of the shares in favor of the lender to be held by the trustee. The proxy shall be delivered by the trustee to the lender upon the lender's notice to the trustee of there being an event of default. The proxy must provide for full voting rights over the 100% of the borrower's shares to be given to the lender.

3. Signed and undated irrevocable resignation notices of all borrower's directors to be held by the trustee and delivered to the lender upon the lender's notice to the trustee of there being an event of default which remains unremedied after the lapse of the applicable remedy period.

Each drawdown shall specify a project for which the fund shall be used.

Moreover, FEUDC, as the borrower, will not, unless the lender otherwise agrees in writing;

a. Merge or consolidate with any other entity or take any step with a view to dissolution, liquidation or winding up;
b. Purchase or redeem any of its issued shares or reduce its share capital;
c. Declare or pay any dividends or make any other income distribution to its stockholders;
d. Establish or acquire any subsidiary or affiliate;
e. Undertake any business activity other than transactions contemplated by the Finance documents;
f. Change the nature of its business;
g. Grant any loan or advance, guarantee;
h. Incur any other indebtedness;
i. Enter into any agreement or obligation which might mutually and adversely affect its financial consolidation.

<u>Drawdown Pursuant to the Omnibus Agreement</u>

The ₱100 million loan was coursed through loan line facility provided by Hong Kong and Shanghai Bank Corporation (HSBC). The loan was obtained on May 25, 2007 and is due for payment on November 25, 2008, with interest rate at 10% per annum for 18-month term payable in four equal installments quarterly in advance from the date of drawdown with a six month initial grace period. The loan is secured by a security deed and cash deposits amounting to USD$2.5 million held under lien with HSBC Institutional Trust Services Asia Limited Hong Kong placed by Lim Asia. The said loan was secured to fund Cathedral Heights Townhouse Project (CHTP).

The ₱130 million loan was obtained on August 3, 2007 and is due for payment 24 months from date of drawdown, with interest at 10% per annum payable in four equal installments, quarterly in advance from the date of drawdown with a six month initial grace period. The said loan was secured to fund Boracay villas project. The drawdown was made in US dollars and is likewise payable in US Dollars (see Note 29).

On June 30, 2009, FEUDC obtained a ₱105 million loan and is due for payment 24 months from date of drawdown, with interest at 9% per annum paid in four equal installments, quarterly in advance from the date of drawdown with a six month initial grace period. The said loan was secured to fund Camp John Hay Suites (CJHS) projects. The drawdown was made in US dollars totaling $2,173,598 and is likewise payable in US dollars.

Drawdown security in favor of Lim Asia is as follows:

1. Real estate mortgage and security interest over townhouse units of the Project;
2. Assignment by way of security of all the rights, title, interest and benefits (but not the obligations) of FEUDC in or arising from the following:
   a. Facility account of the drawdown;
   b. Project documents (Assigned contracts);
   c. Insurance claims and proceeds;
   d. Receivables due on previous sales of CHTP amounting to ₱37.1 million shall be assigned to the secured account;

e. All receipts, sales revenue, receivables and all existing and future revenues generated from sale of all other units which are not subject to encumbrance constituted as core security under the Omnibus Agreement;
f. All licenses, approvals, consents and contracts relating to the Project to the full extent allowed under applicable laws and regulations.

Fixed Rate Convertible Bonds

On September 14, 2007, the Company (Issuer) entered into Bonds Issuance Facility Agreement (facility agreement) with Lim Asia Arbitrage Fund, Inc. (LAAF,original bondholder), The Hongkong and Shanghai Banking Corporation Limited (trustee), Banco De Oro-EPCI, Inc. –Trust Banking Group (paying agent,transfer agent or conversion agent) and Lim Advisors Limited (arranger) wherin the Company intends to issue a five (5)-year and one day fixed rate convertible bonds with a total face value of up to US$25million, convertible to common shares of the capital stock of the issuer on terms and conditions provided. As of September 30, 2008, the Company fully issued the US$25million convertible bonds.

RESULTS OF OPERATIONS

2009 vs 2008

Consolidated revenues decreased to **P642 million**, down by 29**%** from the previous year's revenues which included non-recurring guarantee income received from CJH DevCo as guarantor for its wholly owned subsidiary, FEUDC, for the completion of the CJH Suites and Forest Cabins.

The Company incurred a **Net Loss** of **P134 Million** in 2009. Losses were incurred as a result of a decrease in service and rental income, gain on sale of assets, guarantee income and an increase in operating and financial expenses.

Service and Rental Income went down by **P45 Million** to **P121 Million** due to reduced income from golf course maintenance contracts.

Interest income from the amortization of due from other realty and development companies, temporary investment of unutilized funds and unrealized foreign exchange gains were the major contributors of increased **Financial Income** of the Company which accounted for **P200 million** of the total consolidated revenues or an increase of 69**%** from previous year's level of **P131 million**.

Equity in Net Earnings of Associates and Joints Ventures of **P15 million** was recognized during the year compared to Net Loss of Associates and Joint Ventures of **P11 million** the previous year.

Other income generated by the company increased by **P52 million** to **P129 million**.

Financial expenses went up to **P281 million** from **P244 million** the previous year due to unrealized and realized foreign exchange losses, interest expense on convertible bonds and increase in amortization of due to other realty and development companies.

Cost of services is at **P73 million**, with a **30%** reduction from previous year's level of **P105 million** due to decrease in maintenance contracts.

2008 vs 2007

Consolidated revenues increased to **P906 million**, up by **35%** from the previous year largely due to guarantee income received from CJH DevCo as guarantor for its wholly owned subsidiary, FEUDC, for the completion of the CJH Suites and Forest Cabins.

The Company performed better in 2008 as it posted a **Net Income** of **P92.5 Million, 59% higher** than the **P58.3 Million** level the year before. Incremental profit was derived from increased revenue generated from service and rental income, an increase in financial income, and guarantee income.

Service and Rental Income went up by **P21 Million** to **P167 Million** caused by income generated activities from golf course maintenance contracts.

Gross profit on Sale of Real Estate went down to **P202 Million** from **P280 Million** of the previous year despite an increase in **Sales of Real Estate** by **10%** or **P39 million**. The decline was due to loss on refund adjustments on prior years sales.

Interest income from temporary investment of unutilized funds and unrealized foreign exchange gains were the major contributors of increased **Financial Income** of the Company which accounted for **P131 million** of the total consolidated revenues or an increase of **35%** from previous year's level of **P97 million**.

Operating expenses increased slightly, up by **3% or 13 million** to **P405 milion**.

Financial expenses went up to **P244 million** from **P75 million** the previous year due to unrealized and realized foreign exchange losses, interest payments in relation to convertible bonds and increase in finance charges.

Cost of services is at **P105 million**, with a **14%** reduction from previous year's level of **P122 million**.

Equity in Net Losses of Associates and Joints Ventures decreased by **6%** at **P11 million** as compared to **P11.6 million** level last fiscal year.

2007 vs 2006

The Company performed better in 2007 as it posted a **Net Income** of **P58.30 Million, 193% higher** than the **P19.90 Million** level the year before. Incremental profit was derived from improved sales of Real Estate & Golf Club and Resort Shares and increased revenue generated from service and rental income, a huge increase in other income, and a decrease in financial expenses.

Service and Rental Income went up by **P19.9 Million** or **16%** to **P145.8 Million** caused by higher income on golf course maintenance contracts.

Certain assets of a subsidiary were sold during the year resulting to a **P113 Million** gain.

Interest payments made by buyers on account of Installment sales were the major contributor of Financial Income of the Company as it increased by 7%.

Losses incurred by some associates during the year were the main reason on the decrease in Equity in Net Earnings of Subsidiaries, Associates and Joint Ventures.

Significant transaction by the Company during the year resulted to a **P26.4 Million** or **354%** increase in other income.

Operating expenses of **P392 Million** showed a **P39.4 Million** or **11%** increase from the previous year's level attributed mostly to higher professional fees paid for outside services, increase in payment of taxes and licenses, depreciation and amortization, repairs and maintenance and other operating expenses.

Reduction of 23% in Financial Expenses was mainly caused by the retirement of certain loans.

Other expenses incurred were higher by **P5.1 Million** or **405%** as compared to the previous year of **P1.2 Million.**

FINANCIAL CONDITION

2009

Consolidated Assets as of September 30, 2009 totaled **P15.1 billion**.

Cash and Cash Equivalents decreased by **41%** from **P329 million** to **P193 million** due to utilization of funds for the completion of various projects and operating expenses.

Receivables-net went up by **P293 million** to **P1.038 billion** from previous year's level of **P745 million**. The increase in Installment Contract Receivables and advances to contractors and suppliers contributed to the **39%** increase in receivables as of end September 2009.

Due from related parties decreased from **P1.011 billion** to **P868 million.**

Due from other realty and development companies decreased from **P674 million** to **P525 million.**

Landheld for future development amounted to **P1.8 billion**.

Investment Properties held for lease were up by **P2.8 million** to **P48.3 million**.

Deferred Tax Assets decreased by 6**%** or **29 million** on account of realized gross profit on sale of Real Estate and Golf Club and Resort Shares during the year.

Deferred charges and other non current assets stood at **P53 million,** up from previous year's level of **P46 million**.

Bonds Payable amounted to **P1.17 billion** on account of the issuance of a five (5)-year and one day fixed rate convertible bonds with a total face value of **US$25 million**. Proceeds from the issuance of the convertible bonds were received in November 2007 and January 2008.

Loans in the amount of **P234 million** was availed by a subsidiary for the completion of projects in CJH Baguio City.

Accounts payable and other current liabilities decreased by **23%** or **P380 million** from **P1.6 billion** in 2008 to **P1.3 billion** in 2009. Payment to contractors and suppliers for various ongoing projects attributed to the decrease in accounts payable.

Due to related parties stood at **P451 million**, as compared to **P323 million** the previous year mainly due advances made by related parties on behalf of the company.

Due to other realty and development companies decreased by **P81 million** from the **P374 million** level.

Other Non-current Liabilities amounted to **P69 million**, up from the **P57 million** level the previous year.

2008

The Company maintains a prudent financial strategy as it faces a more competitive and challenging environment. The Company's consolidated balance sheet reflects a stable financial growth. **Consolidated Assets** as of September 30, 2008 totaled **P15.3 billion** compared from **P14 billion** the previous year, registering an **8%** increase.

Cash and Cash Equivalents increased by **62%** from **P203 million** to **P329 million** due to remaining unutilized proceeds of convertible bonds that was temporarily invested in money market placements.

Receivables-net went up by **P144 million** to **P1.031 billion** from previous year's level of **P887 million**. Increase in Installment Contract Receivables and various advances to contractors and suppliers contributed to the **18%** increase in receivables as of end September 2008.

Due from related parties increased from **P912 million** to **P1.011 billion** largely due to **11%** increase in due from various joint venture partners.

Due from other realty and development companies amounted to **P674 million** or a decrease of **9%** from previous year of **P739 million.**

Landheld for future development amounted to **P1.8 billion**.

Investment Properties went down by **P6.5 million** due to depreciation and amortization.

Deferred Tax Assets decreased by **16%** or **88 million** on account of realized gross profit on sale of Real Estate and Golf Club and Resort Shares during the year.

Bonds Payable amounted to **P1.17 billion** on account of the issuance of a five (5)-year and one day fixed rate convertible bonds with a total face value of **US$25 million**. Proceeds from the issuance of the convertible bonds were received in November 2007 and January 2008.

Loans in the amount of **P134 million** was availed from a stockholder and a **P100 million** peso loan was renewed for another 12 months to mature on October 2009.

Accounts payable and other current liabilities increased by **12%** or **P170 million** from **P1.43 billion** in 2007 to **P1.6 billion** in 2008.

Due to related parties stood at **P322 million**, with an increase of **38%** as compared to **P234 million** from previous year.

Deposit on real estate sales went down by **P148 million** or **9%** as recognition of real estate sales were made during the year.

Due to other realty and development companies decreased by **P55 million** from the **P516 million** level the previous year.

Deferred Tax Liabilities went down by **16%** or **P51 million** as tax effects on capitalized interest and deferred commissions were reduced.

Other Non-current Liabilities amounted to **P57 million**, an **11% (6.9 million)** decrease from the **P64 million** last year.

2007

FELI's consolidated Total Assets as of September 30, 2007 stood at **P14.5 billion**, a **1.74%** growth from the end-September 2006 level of **P14.25 billion**.

Cash and cash equivalents of **P203 million** was **477%** higher than the **P35 million** level as of September 30, 2006. This can be traced to the remaining proceeds from the **P230 million** loan of a subsidiary in relation to the Omnibus Agreement with Lim Asia Arbitrage Fund, Inc.

Receivables-net increased by **P122 million** or **16%** higher than the **P774 million** level as of September 30, 2006.

Prepaid expenses & other current assets went down to **P298 million** from **P387 million** or a **23%** decrease from last year's level.

Due from other Realty and Development Companies amounted to **P738 million** or an increase of **36%** from the **P543 million** level as of end-September 2006.

Land Held for Future Development stood at **P1.9 billion** from the **P2.05 billion** level from the previous year. The slight decrease was due to the sale of certain land held by the Company for future development.

Investment Properties amounted to **P43.3 milion**, lower by **25% (P58.1 million)** year on year due to depreciation and amortization.

Deferred Charges and other Assets of **P92 million** was **423%** higher than the previous year level of **P17.6 million** mainly due to the increase in commissions deferred for the period as a result of the change in the method of recognition of revenues and expenses.

Due to Related Parties-net decreased from **P1.025 billion** to **P660 million** or a **36%** reduction year on year.

Deferred Income on Real Estate Sales was at **P1.53 billion**, a **7% (P110 million)** lower than the previous' year amount of **P1.64 billion**.

Loans payable stood at **P229 million** on account of the loan obtained by a subsidiary pursuant to the Omnibus Agreement entered into with Lim Asia Arbritage Fund, Inc.

Due to Other Realty & Development Companies increased by **P102 million (25%)** to **P516 million** from last year's level of **P413 million**.

Other Non-current Liabilities amounted to **P64 million**, an **11% (6.1 million)** increase from the **P58.1 million** last year.

Capital Stock was **13% (P347 million)** higher at **P3.066 billion** from the **P2.72 billion** end September 2006 level due to additional subscriptions during the reporting period.

ITEM 7. FINANCIAL STATEMENTS

The consolidated financial statements of the Company are incorporated herein duly signed by the external auditors.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

The accounting policies adopted are consistent with those of the previous year, except for the adoption of new accounting standards and amendments which became effective in 2008 as follows:

- Amendment to Philippine Interpretation IFRIC 11, *PFRS 2 – Group Treasury Share Transactions (effective for annual periods beginning on or after March 1, 2007)* requires arrangements whereby an employee is granted rights to an entity's equity instruments to be accounted for as an equity-settled scheme by the entity even if (a) the entity chooses or is required to buy those equity instruments (e.g. treasury shares) from another party, or (b) the shareholders of the entity provide the equity instruments needed. It also provides guidance on how subsidiaries, in their separate financial statements, account for such schemes when the subsidiary's employees receive rights to the equity instruments of the parent. The Group currently does not have any stock option plan and therefore, does not have a significant impact in its consolidated financial statements.

- Amendment to the Philippine Interpretation IFRIC 14, PAS 19, *The Limit on a Defined Benefit Assets, Minimum Funding Requirements and their Interaction* (effective for annual periods beginning on or after January 1, 2008) addresses three issues (1) how entitles should determine the limit places by PAS 19 Employee Benefits on the amount of a surplus in a pension plan they can recognize as an asset; (2) how a minimum funding requirement affects that limit; and (3) when a minimum funding requirement creates an onerous obligation that should be recognized as a liability in addition to that otherwise recognized under PAS 19. The adoption of this interpretation did not have significant impact on the financial statements for currently the Group does not maintain a fund asset.

The Group has not adopted the following Philippine Interpretations since these are not relevant to the Group which became effective in 2008:

- Philippine Interpretation IFRIC 12, *Service Concession Arrangements* (effective for annual periods beginning on or after January 1, 2008) addresses how service concession operators should apply existing PFRS to account for the obligations they undertake and rights they receive in service concession arrangements. It covers contractual arrangements arising from private entities providing public services.

- Philippine Interpretation IFRIC 13, *Customer Loyalty Programmes* (effective for annual periods beginning on or after July 1, 2008) addresses how companies that grant their customer loyalty awards credit (often called "points"), when buying goods or services, should account for their obligation to provide free or discounted goods or services if and when the customers redeem the points. Under this IFRIC, companies must estimate the value of points and defer this amount of revenue as a liability until they have fulfilled their obligations to supply awards.

- Philippine Interpretation IFRIC 16, *Hedges of a Net Investment in a Foreign Operation* (effective for annual periods beginning on or after October 1, 2008) applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and that apply hedge accounting in accordance with PAS 39. It clarifies the following issues: (a) whether risk arises from foreign currency exposure to the functional currencies of the foreign operation and the presentation currency of the parent entity's consolidated financial statements; (b) which entity within a group can hold a hedging instrument in a hedge of a net investment in a foreign operation must also hold the hedging instrument; (c) how an entity should determine the amounts to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item when the entity disposes of the investment. The main expected change in practice is to eliminate the possibility of an entity applying hedge accounting for a hedge of the foreign exchange differences between the functional currency of a foreign operation and the presentation currency of the parent's consolidated financial statements. The IFRIC recognizes the difficulty that entities would face in preparing adequate documentation from the inception of the hedge relationship and therefore requires prospective application of the guidance.

Future Changes in Accounting Policies

The Group has not applied the following new and amended PFRS and Philippine Interpretations which are not yet effective for the fiscal year ended September 30, 2009. Except for the adoption of Philippine Interpretation IFRIC 15, Agreement for Construction of Real Estate, the following new and amended PFRS and Philippine Interpretations will not significantly impact the consolidated financial statements:

Effective in 2009 for adoption on fiscal year ending September 30, 2010

- Amendment to PAS 1, *Presentation of Financial Statements, Revised,* will become effective for financial years beginning on or after January 1, 2009. In accordance with the amendment to PAS 1, the statement of changes in equity shall include only transactions with owners, while all non-owner changes will be presented in equity as a single line with details included in a separate statement. Owners are defined as holders of instruments classified as equity.

  In addition, the amendment to PAS 1 provides for the introduction of a new statement of comprehensive income that combines all items of income and expense recognized in the statement of income together with 'other comprehensive income'. The revisions specify what is included in other comprehensive income, such as gains and losses on availablefor-sales assets, actuarial gains and losses on defined benefit pension plans and changes in the asset revaluation reserve. Entities can choose to present all items in one statement, or to present two linked statements, a separate statement of income and a statement of comprehensive income. The Company does not expect this amendment to have a significant impact on the financial statements.

- Amendment to PAS 23, *Borrowing Costs*, will become effective for financial years beginning on or after January 1, 2009. The standard has been revised to require capitalization of borrowing costs when such costs relate to a qualifying asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The adoption of this amendment will not have an impact on the financial statements because it was the Group's policy to capitalize borrowing costs.

- Amendments to PAS 32 – *Financial Instrument: Presentation, and PAS 1, Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation (Amendments),* (effective for annual periods beginning on or after January 1, 2009) have been amended to allow a limited scope exception for puttable financial instruments to be classified as equity if they fulfill a number of specified criteria.

- Amendments to PFRS 1, *First-time Adoption of PFRS- Cost of Investment in a Subsidiary, Jointly Controlled Entity or Associate, (*effective for annual periods beginning on or after January 1, 2009) allows an entity, in its separate financial statements, to determine the cost of investments in subsidiaries , jointly controlled entities or associates (in its opening PFRS financial items) as one of the following amounts: a) cost determined in accordance with PAS 27; b) at the fair value of the investment at the date of transition to PFRS, determined in accordance with PAS 39: or c) previous carrying amount (as determined under generally accepted accounting principles) of the investment at the date of transition to PFRS.

- PFRS 2, *Share-based Payment Vesting Condition and Cancellations*, (effective for annual periods beginning on or after January 1, 2009) has been revised to clarify the definition of a vesting condition and prescribes the treatment for an award that is effectively cancelled. It defined a vesting condition as a condition that includes an explicit or implicit requirement to provide services. It further requires non-vesting conditions to be treated in a similar fashion to market conditions. Failure to satisfy a non-vesting condition that is within the control of either the entity or the counterparty is accounted for as cancellation. However, failure to satisfy a non-vesting condition that is beyond the control of either party does not give rise to a cancellation.

Therefore, such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary, as well as the loss of control of a subsidiary. The changes introduced by the revised standards must be applied prospectively and will affect future acquisitions and transactions with minority interests.

- PFRS 3, *Business Combinations (Revised), and PAS 27, Consolidated and Separate Financial Statements (Revised)*, will become effective for financial years beginning on or after July 1, 2009. The revised PFRS 3 introduces a number of changes in the accounting for business combinations that will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs and future reported results. The revised PAS 27 requires that a change in the ownership interest of a subsidiary be accounted for as an equity transaction.

- PFRS 7, *Financial Statements: Disclosures* (effective for annual periods beginning on or after January 1, 2009) requires additional disclosures about the fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by source of inputs using three (3) level fair value hierarchy, by class, for all financial instruments recognized at fair value. In addition, reconciliation between the beginning and ending balance for level three (3) fair value measurements is now required, as well as significant transfers between levels in the fair value hierarchy.

- PFRS 8, *Operating Segment* (effective for annual periods beginning on or after January 1, 2009) replaces PAS 14, Segment Reporting and adopts a management approach to segment reporting. The information reported would be that which management uses internally for evaluating the performance of operating segments and allocating resources to those segments. This information may be different from that reported in the consolidated balance sheets and consolidated statements of income and entities will need to provide explanations and reconciliations of the differences. The disclosures are similar to information used internally by management and are significantly similar to previous years' presentation.

- PAS 39, *Financial Instruments: Recognition and Measurement – Eligible Hedged Items (Amendment)*, will become effective for financial years beginning on or after July 1, 2009. The amendment addresses the designation of a one-sided risk in a hedged item, and the designation of inflation as a hedged risk or portion in particular situations. It clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as a hedged item. The amendment will not have any impact on the financial statements as the Group has not entered into any such hedges.

- Philippine Interpretation IFRIC 17, *Distribution of Non-cash Assets to Owners* (effective for annual period beginning on or after July 1, 2009) covers accounting for two types of non-reciprocal distributions of assets by an entity to its owners acting in their capacity as owners. The two types of distribution are:

a. distributions of non-cash assets (e.g., items of property, plant and equipment, businesses as defined in PFRS 3, ownership interests in another entity or disposal groups as defined in PFRS 5); and

b. distributions that give owners a choice of receiving either non-cash assets or a cash alternative.

This Philippine Interpretation addresses only the accounting by an entity that makes a non-cash asset distribution. It does not address the accounting by shareholders who receive such a distribution.

- Philippine Interpretation IFRIC 18, *Transfers of Assets from Customers* (effective for annual period beginning on or after July 1, 2009) covers accounting for transfers of items of property, plant and equipment by entities that receive such transfers from their customers. Agreements within the scope of this Interpretation are agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services, or to do both. This Philippine Interpretation also applies to agreements in which an entity receives cash from a customer when that amount of cash must be used only to construct or acquire an item of property, plant and equipment and the entity must then use the item of property, plant and equipment either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services, or to do both.

Effective in 2010 for adoption on fiscal year ending September 30, 2011

- Amendment to PFRS 2, *Share-based Payment: Group Cash-settled Share-based Payment Transactions*, will become effective for financial years beginning on or after January 1, 2010. This amendment clarifies the scope and the accounting fort he Group cash-settled share based payment transactions. This amendment will have no impact on the consolidated financial statements of the Group, as the Group is not involved in nay similar transactions.

Effective in 2012 for adoption on fiscal year ending September 30, 2012

- Philippine Interpretation IFRIC 15, Agreement for Construction of Real Estate. This interpretation, which may be early applied, covers accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors. This Interpretation requires that revenue on construction of real estate be recognized only upon completion, except when such contract qualifies as construction contract to be accounted for under PAS 11, *Construction Contracts* or involves rendering of services in which case revenue is recognized based on stage of completion. Contracts involving provision of services with the construction materials and where the risks and reward of ownership are transferred to the buyer on a continuous basis and will be accounted for based on stage of completion.

The adoption of this Interpretation will be accounted for retrospectively and will result to the restatement of prior period financial statements. The adoption of this Interpretation may significantly affect the determination of the net income and the related Receivables from sales of real estate, deposit on real estate sales, deferred tax liabilities and Retained earnings accounts.

The Group is currently assessing the impact of these standards and interpretations. The revised disclosures on the financial statements required by the above standards and interpretations will be included in the Group's consolidated financial statements when these are adopted.

Improvements to Existing Accounting Standards

The following are the IASB issued omnibus of amendments to its standards, issued in May 2008 and April 2009, effective January 1, 2010, primarily with a view to removing inconsistencies and clarifying wording. There are separate transitional provisions for each standard. The adoption did not result to significant effects on the financial statements.

- PFRS 5, Non-current Assets Held for Sale and Discontinued Operations, when a subsidiary is held for sale, all of its assets and liabilities will be classified as held for sale under PFRS 5, even when the entity retains a non-controlling interest in the subsidiary after the sale.

- PFRS 7, *Financial Instruments: Disclosures*, removes the reference to "total interest income" as a component of finance costs.

- PAS 1, *Presentation of Financial Statements*, provides that assets and liabilities classified as held for trading in accordance with PAS 39, *Financial Instruments: Recognition and Measurement*, are not automatically classified as current in the balance sheet.

- PAS 7, *Statements of Cash Flows*, provides expenditure that results in recognizing an asset can be classified as a cash flow from investing activities.

- PAS 8, *Accounting Policies*, Changes in Accounting Estimates and Errors, clarifies that only the implementation guidance that is an integral part of a PFRS is mandatory when selecting accounting policies.

- PAS 10, *Events after the Balance Sheet Date*, clarifies that dividends declared after the end of reporting period are not obligations.

- PAS 16, *Property, Plant and Equipment*, replaces the term "net selling price" with "fair value less costs to sell". It further clarifies that items of property, plant and equipment held for rental that are routinely sold in the ordinary course of business after rental are transferred to inventory when rental ceases and they are held for sale.

- PAS 18, *Revenue*, replaces the term "direct costs" with "transaction costs" as defined in PAS 39, *Financial Instruments: Recognition and Measurement*.

- PAS 19, *Employee Benefits*, revises the definition of past service costs, return on plan assets and short-term and long-term employee benefits. Amendments to plans that result in reduction in benefits related to future services are accounted for as curtailment. It deletes the reference to the recognition of contingent liabilities to ensure consistency with PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*.

- PAS 20, *Accounting for Government Grants and Disclosure of Government Assistance*, provides that loans granted in the future with no or low interest rates will not be exempt from the requirement to impute interest. The difference between the amount received and the discounted amount is accounted for as government grant. Various terms were revised to be consistent with other PFRS.

- PAS 23, *Borrowing Costs*, revises the definition of borrowing costs to consolidate the two types of items that are considered components of borrowing costs into one – the interest expense calculated using the effective interest method calculated in accordance with PAS 39, Financial Instruments: Recognition and Measurement.

- PAS 27, *Consolidated and Separate Financial Statements*, states that when a parent entity accounts for a subsidiary in accordance with PAS 39, Financial Instruments: Recognition and Measurement, in its separate financial statements, this treatment continues when the subsidiary is subsequently classified as held for sale.

- PAS 28, *Investment in Associates*, establishes that if an associate is accounted for at fair value in accordance with PAS 39, Financial Instruments: Recognition and Measurement, only the requirement of PAS 28 to disclose the nature and extent of any significant restrictions on the ability of the associate to transfer funds to the entity in the form of cash or repayment of loans applies.

- PAS 29, *Financial Reporting in Hyperinflationary Economies*, revises the reference to the exception to measure assets and liabilities at historical costs, such that it notes property, plant and equipment as being an example, rather than implying that it is a definitive list. Various terms were revised to be consistent with other PFRS.

- PAS 31, *Interest in Joint Ventures*, provides that if a joint venture is accounted for at fair value in accordance with PAS 39, Financial Instruments: Recognition and Measurement, only the requirement of PAS 31 to disclose the commitments of the venturer and the joint venture as well as summary financial information about the assets, liabilities, income and expense will apply.

- PAS 34, *Interim Financial Reporting*, requires that earnings per share be disclosed in interim financial reports if an entity is within the scope of PAS 33, *Earnings per Share*.

- PAS 36, *Impairment of Assets*, provides that if discounted cash flows are used to estimate "fair value less costs to sell," additional disclosure is required about the discount rate, consistent with the disclosures required when the discounted cash flows are used to estimate "value in use."

- PAS 38, *Intangible Assets*, requires that expenditure on advertising and promotional activities is recognized as an expense when the Group has either the right to access the goods or has received the services.

- PAS 39, *Financial Instruments*: Recognition and Measurement, changes in circumstances relating to derivatives are not reclassification and therefore maybe either removed from, or included in, the "fair value through profit or loss" (FVPL) classification after initial recognition. It removes the reference to a segment when determining whether an instrument qualifies as a hedge. It further requires the use of the revised effective interest rate when remeasuring a debt instrument on the cessation of fair value hedge accounting.

- PAS 40, *Investment Property*, revises the scope such that property under construction or development for future use as an investment property is classified as investment property. If fair value cannot be reliably determined, the investment under construction will be measured at cost until such time that fair value can be determined or construction is complete. It revises the conditions for a voluntary change in accounting policy to be consistent with PAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, and clarifies that the carrying amount of investment property held under lease is the valuation obtained, increased by any recognized liability.

- PAS 41, *Agriculture*, removes the reference to the use of pre-tax discount rate to determine fair value. It likewise removes the prohibition to take into account cash flows resulting from any additional transformations when estimating fair value. Furthermore, it replaces the term "point-of-sale costs" with "costs to sell".

The revised disclosures on the financial statements required by the above standards and interpretations will be included in the Group's consolidated financial statements when these are adopted.

The Group has engaged the services of CG & Co. during the two most recent fiscal years. There were no disagreements with CG & Co. on any matter of accounting and financial disclosure.

<u>Information on Independent Accountant and Other Related Matters</u>

For the audit of the registrant's financial statements provided by the external auditors in connection with statutory and regulatory filings for the last two fiscal years, the aggregate audit fee was approximately ₱ 2.7 million in 2009 and ₱ 2.8 million in 2008.

No other assurance and related services have been rendered by the external auditors to the registrant other than the items discussed above.

PART IV – MANAGEMENT AND CERTAIN SECURITY HOLDER

ITEM 9. DIRECTORS AND EXECUTIVE OFFICERS OF THE ISSUER

Position	Name	Citizenship	Director or Officer Since	Years of Service up to present
Chairman of the Board	Robert John L. Sobrepeña	Filipino	1994	15 yrs.
Co-Chairman, President and Chief Executive Officer	Ferdinand T. Santos	Filipino	1994	15 yrs.
Vice-Chairman	Noel M. Cariño	Filipino	1994	15 yrs.
Director	Enrique A. Sobrepeña, Jr.	Filipino	1994	15 yrs.
Independent Director	Dean Van Drasek	American	2008	1 yr.
Independent Director	Peter Churchouse	New Zealander	2009	0 yr.
Director and SVP for Business Development	Rafael P. Perez de Tagle Jr.	Filipino	1994	15 yrs.
SVP and Chief Finance Officer	Roberto S. Roco	Filipino	1995	14 yrs.
VP for Government Compliance	Nicholas A. Aquino	Filipino	1994	13 yrs.
VP for Labor and Litigation	Roy V. Movido	Filipino	2001	8 yrs.
VP for Good Governance	Alice Odchigue Bondoc	Filipino	2003	6 yrs.

**Updated as of 2009 Annual Stockholders Meeting held last November 23, 2009*

Board of Directors

ROBERT JOHN L. SOBREPEÑA, Filipino, 54 years old, has been the Chairman of the Board of Fil-Estate Land, Inc. since 1999 and the Chief Executive Officer since 1994. He is one of the three founding members of the Fil-Estate Group of Companies. Currently, he is also the Chairman of the Board of various companies such as Fil-Estate Management Inc., Fil-Estate Corporation, Fil-Estate Properties Inc., Fil-Estate Ecocentrum Corp., Fil-Estate Golf & Development Inc., Fil-Estate Urban & Development Corporation, Fil-Estate Realty Corporation, Fil-Estate Marketing Association, Inc., Fil-Estate Network, Inc., Camp John Hay Development Corporation, Camp John Hay Hotel, Inc., Sherwood Hills Development, Inc., Club Leisure Management, Inc., Manila Southwoods Golf & Country Club, Sherwood Hills Golf & Country Club, Camp John Hay Golf Club, Summit Estate Realty & Development Corporation, Pacific Touch Group Ltd., Metro Rail Transit Holdings, Inc., Metro Rail Transit Holdings II, Inc., Metro Rail Transit Corporation, MRT Development Corporation, and Monumento Rail Transit Corporation. He also serves as Vice Chairman of Fil-Estate Sales, Inc., Fairways & Bluewaters Development Corporation, and the Fairways and Bluewaters Resort Golf & Country Club. A member of the American Chamber of Commerce and the Rotary Club of Manila, he earned his Bachelor's Degree in Psychology and Marketing from the De La Salle University in 1978.

FERDINAND T. SANTOS, Filipino, 58 years old, is currently the Co-Chairman of the Board of the company since 1999. He has been with Fil-Estate Land, Inc. since its incorporation in 1994. He is one of the three founding members of the Fil-Estate Group of Companies. He serves as the Vice Chairman of Fil-Estate Properties Inc., Fil-Estate Marketing Association, Inc., and Fil_Estate Network Inc. He is also the President of Fil-Estate Management Inc., Fil-Estate Development Inc., Fil-Estate Properties Inc., Fil-Estate Golf & Development Inc., MRT Development Corporation, St. Benedict Realty & Development Inc., Royal Jade Memorial Inc., and Mt. Zion Memorial Inc. He graduated from Arellano University with Bachelor of Arts degree in 1970 and took his Bachelor of Laws at San Beda College where he graduated Valedictorian and Magna Cum Laude in 1974. He was a topnotcher in the 1974 Philippine Bar (2nd Place).

NOEL M. CARIÑO, Filipino, 54 years old, has more than 35 years of experience in sales and marketing. He's a marketing man par excellence. He became the youngest Branch Manager of V.V. Soliven, the top real estate marketing company during the 70's era for breaking sales records a few months after he joined the said company. Co-Founded the Fil-Estate Realty Corporation in 1981 which earned its first P15 million during its first 15 days of operation. Currently the Chairman of Fil-Estate Realty Sales Associates Inc., Fairways and Bluewaters Resort Golf & Country Club and the Caliraya Springs Golf & Country Club. He served as Vice-Chairman of the Company since 1994 and is one of the three founders of the Fil-Estate Group of Companies. He is also the Chairman of the Board of the War Against Poverty Foundation, the founder and adviser of several non-government organizations including Bangon Lakas Pilipino, Makapinay, Kumpas and Makabago.

ENRIQUE A. SOBREPEÑA, Filipino, 83 years old, has served as Director of the Company since 1994. He is also President and Chief Executive Officer of College Assurance Plan Phils, Inc., Comprehensive Annuity Plans and Pension Corporation, CAP Life Insurance Corporation, CAP Technologies, Inc., CAP Realty, Inc., and CAP General Insurance Corporation. His other significant positions include: Director of Bank of Commerce, BANCommerce Investment Corporation, Camp John Hay Development Corporation, Metro Rail Transit Development Corporation and CAP Foundation for Socio-Economic Cooperation, Inc. He graduated with Bachelor of Arts at Siliman University in 1949 and Bachelor of Laws at University of Manila in 1952. He was awarded Doctor of Humanities, Honoris Causa by University of the City of Manila in 2001 and Doctor of Business Administration, Honoris Causa by University of Baguio in 2002.

DEAN VAN DRASEK, American, 48 years old, is a private financial consultant based in Bangkok, specializing in assisting companies secure growth and restructuring capital in challenging market conditions. Prior to this, he was an Executive Director for 7 years with the fund management firm of LIM Advisors, based in Hong Kong where he co-managed the high yield and special situation investment portfolios for a number of LIM's funds. Before embarking on a career in fund management, he spent 12 years in investment banking in Asia, serving as Co-head of Asia for Houlihan Lokey Howard & Zukin (a US investment bank specializing in debt restructuring), Managing Director with Bank of America, and as Director of Credit Agricole Indosuez (previously known as W.I. Carr and Carr Indosuez). In the latter position, he also headed the Equity Capital Markets Division and Country Funds Division for a number of years. Mr. Van Drasek has spent over 20 years in Asia, and has lived in Thailand, Hong Kong, Japan, S. Korea (where he was a Foreign Legal Counsel with the firm of Shin & Kim), Indonesia and Singapore. Mr. Van Drasek graduated from the University of Michigan Law School and has an undergraduate degree from Valparaiso University and as part of his undergraduate studies program attended Kansai Gaikokugo Daigaku, in Japan.

PETER CHURCHOUSE, New Zealander, 60 years old, is a resident in Hongkong since 1980. He has been involved in Asian property markets as a consultant, financial advisor, practitioner and investor for 26 years. Currently, he is Chairman of Portwood Capital, a Hongkong based investment company and author of the Asia Hard Assets Report. In 2004, he joined LIM Advisors to establish and run the LIM Asia Alternative Real Estate Fund which invested in Asian public real estate securities and Asian properties. Prior to this, Mr. Churchouse was a Managing Director and Advisory Director at Morgan Stanley in Asia, where he acted in a variety of roles including head of research, regional strategist and head of regional property research, since early 1988. Prior to joining Morgan Stanley, he established and ran a property research department and consultancy function for international property consultants, Jones Lang Wootton (now Jones Lang Lasalle) in Hongkong. In the early 1980's he headed up the team planning Tin Shui Wai New Town, and worked on planning of Tseung Kwan O new town in Hongkong. Peter has been a frequent commentator on regional economies, markets and property for TV, radio and print media. He earned his B.A. and an M. Soc.Sc from the University of Waikato in New Zealand

RAFAEL PEREZ DE TAGLE, JR., Filipino, 54 years old, is currently the President and Chief Operating Officer of Fil-Estate Urban Development Corporation, a wholly owned subsidiary of the company. He is also a member of the Board of the company and of various companies such as MRT Development Corporation, Fil-Estate Corporation, Fil-Estate Ecocentrum Corporation, Camp John Hay Development Corporation, CAP General Insurance, Sherwwod Hills Golf Club, Camp John Hay Golf Club, Warbird Security & Investigation Agency, Inc., Magna Ready Mix Concrete Corporation and the Manila Southwoods Golf & Country Club. Has a degree in Arts major in Economics from De La Salle University in 1976

Key Executive Officers

ROBERTO S. ROCO, Filipino, 56 years old, is Senior Vice President and Chief Finance Officer and is a Director of the Fil-Estate Ecocentrum Corporation. Mr. Roco was formerly the Executive Vice President and Chief Operating Officer of Smith Bell & Co., Inc. He also held concurrent positions in various Smith Bell companies.

ALICE ODCHIGUE-BONDOC, Filipino, 41 years old, is the Vice President for Good Governance, Compliance Officer and Assistant Corporate Secretary of the Company. She is also a Director of Fil-Estate Corporation and Camp John Hay Leisure, Inc. She concurrently holds various positions in the Fil-

Estate Group of Companies. She took her Bachelor of Science in Business Management major in Legal Management at Ateneo de Manila University and graduated Honorable Mention and Departmental Awardee of the Department of Legal Management in 1987. She holds a Doctor of Jurisprudence degree from the Ateneo de Manila University School of Law and graduated Second Honors-Silver Medal Awardee in 1992.

NICHOLAS A. AQUINO, Filipino, 59 years old, is Vice President for Licensing and Permits. Prior to joining the Company, he was an associate lawyer of the Salvador, Manguera, Gofio Law Offices and also the Director for Legal Affairs of the National Food Authority.

ROY V. MOVIDO, Filipino, 41 years old, is Vice President for Legal Affairs-Litigation and Labor. He is likewise the Corporate Secretary and Legal Counsel of Fairways and Bluewater Resort Golf and Country Club, Inc. and Caliraya Spring Golf Club, Inc. He graduated from the Ateneo de Manila University School of Law with a degree of Doctor of Jurisprudence.

GILBERT RAYMUND T. REYES, Filipino, 51 years old, has been the Corporate Secretary of the Corporation since 2003. He is a founding partner of the Poblador Bautista & Reyes Law Offices. He graduated Bachelor of Science in Biology at the University of the Philippines. He finished his Bachelor of Laws (magna cum laude) at the University of the Philippines in 1983.

Significant Employees

The Corporation considers its entire workforce as significant employees. The Corporation relies on the contribution of all employees to achieve its corporate objectives.

Involvement in Certain Legal Proceedings (over the past 5 years)

None of the Directors or Executive Officers is involved in any material pending legal proceedings in any court or administrative agency of the government.

a. None of them has been involved in any bankruptcy petition.

b. None of them has been convicted by final judgment in a criminal proceeding or being subject to a pending criminal proceeding both domestic and foreign.

c. None of them has been subject to any order, judgment or decree of any court of competent jurisdiction (domestic or foreign) permanently or temporarily, enjoining, barring, suspending or otherwise limiting their involvement in any type of business, securities, commodities or banking activities.

d. None of them has been found by a domestic or foreign court of competent jurisdiction (in a civil action), the commission or comparable foreign body or a domestic or foreign exchange or other organized trading market or self regulatory organization, to have violated a securities or commodities law or regulation.

ITEM 10. EXECUTIVE COMPENSATION

KEY EXECUTIVE OFFICERS

NAME	POSITION	SALARY	BONUS	TOTAL
Roberto S. Roco	SVP and Chief Finance Officer			
Nicholas A. Aquino	Vice President			
Roy V. Movido	Vice President			
Total Group Compensation	Year 2009 2008 2007	P4.8M P4.8M P5.9M	**-** - -	P4.8M P4.8M P5.9M

Officers for the rank of AVP and up (including key executive officers)

Position	YEAR		
	2009	**2008**	**2007**
AVP and up (Gross Salary of FELI, FEPI, FEGDI) Directors	P 20.6M -	P 20.6M -	P20.8M -
Total	**P 20.6M**	**P 20.6M**	**P20.8M**

The total annual compensation paid to all senior personnel from AVP and up are all payable in cash. The total annual compensation includes the basic salary and 13th month pay. The Company has no other arrangement with regard to the remuneration of its existing officers aside from the compensation received as herein stated.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

The Directors receive a per diem of ₱ 20,000 per attendance at board meetings.

The Company since 1995 has not accrued or provided for certain executive compensation as this matter is still subject to study and will be implemented upon approval of the Board of Directors.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

<u>Security Ownership of Certain Record and Beneficial Owners</u>

Security ownership of certain record and beneficial owners owning more than 5% of any class of the Corporation's voting securities as of 30 September 2009 are as follows:

Title of Class	Name, address of record owner and relationship with issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held ("r"or"b")	Percent (Based in total shares)
Common shares	Fil-Estate Management, Inc. 6/F Renaissance Tower, Meralco Avenue, Pasig City	Robert John L. Sobrepeña – Chairman (Direct and Indirect)	Filipino	1,898,378,007 ®	56.67%
Common shares	PCD Nominee Corporation (Filipino) 6/F MKSE Bldg. Ayala Avenue, Makati City	Various shareholders (Direct)	Filipino	938,445,467 ®	28.01%
Common shares	PCD Nominee Corporation (Foreign) 6/F MKSE Bldg. Ayala Avenue, Makati City	Various shareholders (Direct)	Foreign	221,609,875 ®	6.61%

Mr. Robert John L. Sobrepeña is one of the controlling stockholders of Fil-Estate Management, Inc. He is also the Chairman of the Board of the Corporation.

Fil-Estate Management, Inc. appoints the Chairman of the Board to represent and vote on all matters.

Based on information provided by PCD, there are no beneficial owners owning more than 5% of the outstanding capital stock of the Company.

There are no securities placed under voting trust or similar agreement.

Security Ownership of Management

As of September 30, 2009, common shares owned by all directors and executive officers of FELI, representing original issues and stock dividends are as follows:

Title of Class	Name of Beneficial Owner	Amount and nature of Beneficial Ownership	Citizenship	Percent of Class
Common	Robert John L. Sobrepeña	1,617,485 ® (direct)	Filipino	0.048%
	Ferdinand T. Santos	30,019 ® (direct)	Filipino	0.000%
	Noel M. Cariño	23 ® (direct)	Filipino	0.000%
	Enrique A. Sobrepeña, Jr.	10 ® (direct)	Filipino	0.000%
	Ruben R. Payumo	4,446,000 ® (direct)	Filipino	0.132%
	Alice Odchigue-Bondoc	4,001 ® (direct)	Filipino	0.000%
	Roberto S. Roco	266,448 ® (direct)	Filipino	0.008%
	Rafael P. Perez de Tagle Jr.	46,800 ® (direct)	Filipino	0.001%
	Dean Van Drasek	1 ® (direct)	American	0.000%
Total		**6,410,787**		**0.189%**

Voting Trust Holders of 5% or more

The Company knows of no persons holding more than 5% of common shares under voting trust or similar agreement.

Changes in Control

There has been no change in the controlling majority stockholder of the Corporation nor there has been any arrangement with any party which may result in a change of control since the last fiscal year.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Atty. Enrique A. Sobrepeña, Jr. is the father of Robert John L. Sobrepeña and Joel M. Cariño, a former Director, is the brother of Noel M. Cariño.

No transaction was undertaken or to be undertaken by the Company in which any Director or Executive Officer, nominee for election as Director, or any member of their immediate family was or to be involved or had or will have a direct or indirect material interest.

No single Director or Executive Officer, nominee for election as Director, or any member of their immediate family owns or holds more than 10% of the Company's voting shares.

The Company, in its regular course of trade or business, enters into transactions with its majority stockholders, subsidiaries and affiliated companies involving mainly the sale of real estate and golf club shares, interest and non-interest bearing advances, commissions and rentals.

PART V – CORPORATE GOVERNANCE

The Corporation had adopted the Self-Rating System on Corporate Governance being implemented by the Securities and Exchange Commission through SEC Memorandum Circular No. 5, Series of 2003 to assess compliance with leading practices on corporate governance. The Compliance Officer meets with the directors and top-level management from time to time to evaluate compliance with the Corporation's Manual on Corporate Governance.

In order to comply fully with the adopted leading practice on good corporate governance, the Compliance Officer is present at all meetings of the Board of Directors and closely coordinates with the Chairman and the President to ensure full compliance with the adopted leading practices on good corporate governance. The Compliance Officer furnishes the Board of Directors and top-level management with copies of new rules, regulations, circulars and orders of the Securities and Exchange Commission and the Philippine Stock Exchange to continuously update its Directors and top-level management with new requirements for compliance with leading practices on corporate governance. In addition, the Compliance Officer requires and encourages its Directors and top-level management to attend seminars on good corporate governance.

There are no material deviations to date from the Corporation's Manual of Corporate Governance. The Board has no immediate plans to adopt new policies for corporate governance.

PART VI – EXHIBITS AND SCHEDULES

a. Exhibits

The following exhibits are filed as a separate section of this report:

- Subsidiaries and Affiliates of the Registrant
- The other exhibits, as indicated in the Index to Exhibits (page 35) are either not applicable to the Company or require no answer.

b. Reports on SEC Form 17-C

The following reports on SEC Form 17-C were among those filed during the last six month period covered by this report:

- Election of Board of Directors and appointment of external auditor (filed on November 23, 2009)

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized in Pasig City on January 26, 2010.

By:

Atty. Ferdinand T. Santos
Co-Chairman and President

Roberto S. Roco
Senior Vice President and
Chief Finance Officer

Atty. Gilbert Raymund T. Reyes
Corporate Secretary

26 JAN 2010

SUBSCRIBED AND SWORN to before me this ________day of ____________, 2010 affiants exhibiting to me their Community Tax Certificates, as follows:

NAMES	C. T. Cert. No.	Date of Issue	Place of Issue
Atty. Ferdinand T. Santos	Passport No. XX 4696095	1/11/10	Valid Until 10-06-2014
Roberto S. Roco	Passport No. SS-0216976	1/04/06	Valid Until 01-04-2011
Atty. Gilbert Raymund T. Reyes	Drivers License # N-17-76-010773		Valid Until 04-16-2010

Doc. No.: 94
Page No.: 20
Book No.: VII
Series of 2010.

ALAN B. QUINTANA
NOTARY PUBLIC
PASIG, SAN JUAN, PATEROS, TAGUIG
APPT. NO. 30, UNTIL DEC. 31, 2010
2F RENAISSANCE/MERALCO AVE., PASIG
ATTORNEY'S ROLL NO. 39468
IBP NO. 805061 PASIG 1.4.10
PTR NO. 5906331 PASIG 1.4.10

FIL-ESTATE LAND, INC. AND SUBSIDIARIES

TABLE OF CONTENTS

Supplementary Schedules Required
By the Securities and Exchange Commission
As of and for the Year Ended September 30, 2008

NA: Not Applicable or already disclosed in the Notes to Financial Statements.

FIL-ESTATE LAND, INC. AND SUBSIDIARIES
INDEX TO EXHIBITS
Form 17 - A

No.		
(3)	Plan of Acquisition, Reorganization, Arrangement, Liquidation, or Succession	n.a.
(5)	Instruments Defining the Rights of Security Holders, Including Indentures	n.a.
(8)	Voting Trust Agreement	n.a.
(9)	Material Contracts	n.a.
(10)	Annual Report to Security Holders, FORM 17 – Q or Quarterly Report to Security Holders	n.a
(13)	Letter re: Change in Certifying Accountant	n.a.
(16)	Report Furnished to Security Holders	n.a.
(18)	Subsidiaries of the Registrant	Attached
(19)	Published Report Regarding Matters Submitted to a Vote of Security Holders	n.a.
(20)	Consents of Experts and Independent Counsel	n.a.
(21)	Power of Attorney	n.a.
(22)	Additional Exhibits	n.a.

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n. a. Not applicable or require no answer.

FIL-ESTATE LAND, INC.
SUBSIDIARIES AND AFFILIATES
As of September 30, 2009

SUBSIDIARIES	OWNERSHIP % By FELI	By the Subsidiary	NATURE OF PROJECTS
Fil-Estate Properties, Inc.	100%		Integrated residential and high rise residential and commercial condominium development
Fil-Estate Subic Development Corporation		100%	Integrated residential and leisure development
Golden Sun Airways, Inc.		100%	Aircraft leasing
Blue Sky Airways, Inc.		100%	-do-
Prime Airways, Inc.		100%	-do-
Fil-Power Construction Equipment Leasing Corp.		100%	Leasing company
Fil-Power Concrete Block Corporation		100%	Manufacturing and selling of concrete products or other goods of similar nature
La Compaña De Sta. Barbara Inc.		100%	Integrated residential and golf development
Sto. Domingo Development Place Corp.		100%	High rise residential development
Fil-Estate Industrial Park, Inc.		78.9%	Industrial Park development
Sherwood Hills Development (SHDI), Inc.		55%	Integrated residential and golf development
Metro Rail Transit Development Corp.		30.9%	Property development
Caliraya Springs Golf Club, Inc.		29%	Golf Club operator
Fil-Estate Golf & Development, Inc.	100%		Integrated golf and leisure development
Golforce, Inc.		100%	Golf course maintenance
Forest Hills Golf & Country Club, Inc.		65%	Golf Club operator
Newport Hills Golf Club, Inc.		62%	- do-
Mountain Meadows Golf Club, Inc.		60%	- do -
Fil-Estate Ecocentrum Corp.		56%	Leisure development
Fairways & Bluewater Resort Golf & Country Club, Inc.	100%		Golf Club operator
Fil-Estate Marketing Associates, Inc.	20%		Marketing real estate projects
Fil-Estate Network, Inc.	20%		- do -
Fil-Estate Sales, Inc.	20%		- do-
Fil-Estate Realty Corporation	20%		- do -
Fil-Estate Realty Sales Associates, Inc.	20%		- do-
Fil-Estate Finance Corp.		100%	Financing
Magellan Bay Tourism Estate, Inc.		100%	Property development
Fil-Estate Marketing Associates, Inc.		55%	Marketing real estate projects
Fil-Estate Network, Inc.		55%	- do-
Fil-Estate Sales, Inc.		55%	- do-
Fil-Estate Realty Sales Associates, Inc.		55%	- do-
Fil-Estate Realty Corporation		55%	- do-
Fil-Marine Leisure, Inc.		54%	Marketing yachts, residential marina membership and real estate components and to render consulting service to marine and yacht design and management
Camp John Hay Development Corp.		25%	Property development
Metro Rail Transit Holdings, Inc.		18.6%	Holding Company (for MRT Development)

FIL-ESTATE LAND, INC. AND SUBSIDIARIES
SCHEDULE D - INDEBTEDNESS OF UNCONSOLIDATED SUBSIDIARIES AND AFFILIATES
AS OF SEPTEMBER 30, 2009
(amounts in thousands)

Name of Affiliate		Beginning Balance		Ending Balance
Fil-Estate Management, Incorporated	₱	99,125	₱	47,156
Fairways & Bluewater Resort Golf and Country Club		116,820		104,795
Fil-Estate Finance Corp.		61,685		59,488
Fil-Estate Realty Sales Associates, Inc.		49,266		51,157
Manila Southwoods Golf and Country Club		14,149		13,698
Sherwood Hills Golf and Country Club		29,796		28,109
Fil-Estate Network, Inc.		32,830		34,202
Fil-Estate Sales, Inc.		31,546		31,662
Fil-Estate Marketing Associates, Inc.		21,289		24,408
Nasugbu Project		205,488		28,440
Camp John Hay Development		83,647		61,301
Nasugbu Properties Inc.		29,580		32,059
Club Leisure Management Inc.		-		47,546
Fil-Estate Development Inc.		87,291		142,816
Others		148,623		160,722
	₱	1,011,135	₱	867,559

FIL-ESTATE LAND, INC. AND SUBSIDIARIES
SCHEDULE I - INDEBTEDNESS TO AFFILIATES AND RELATED PARTIES
AS OF SEPTEMBER 30, 2009
(amounts in thousands)

Name of Affiliate		Beginning Balance		Ending Balance
West Tower	₱	-	₱	9,807
Paragon Plaza		20,723		20,305
Renaissance 3000		22,474		26,265
Belvedere Tower		14,219		2,821
La Paz Holdings Development		15,107		17,147
Fil-Estate Realty Corp.		20,485		17,988
Camp John Hay		-		18,507
Mt. Zion Memorial Inc.		-		31,119
Southern Heights		39,456		19,394
Others		190,100		287,716
	₱	322,564	₱	451,069

FIL-ESTATE LAND, INC. AND SUBSIDIARIES
SCHEDULE K – CAPITAL STOCK
AS OF SEPTEMBER 30, 2009

Title of Issue	Number of shares authorized	Number of shares outstanding	Number of shares reserved for options, warrants, conversions and other rights	Affiliates	Number of shares held by Directors, officers and employees	Others
Capital Stock	5,000,000,000	3,350,000,000	-	1,898,378,007	6,410,787	1,445,211,206